



## Broadcasting Decision CRTC 2019-118

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Reference: 2018-388

Ottawa, 25 April 2019

### **Five Amigos Broadcasting Inc.**

Listowel, Ontario

*Public record for this application: 2018-0020-2*

*Public hearing in the National Capital Region*

*6 December 2018*

### **English-language FM radio station in Listowel**

*The Commission **approves** an application by Five Amigos Broadcasting Inc. for a broadcasting licence to operate an English-language commercial FM radio station in Listowel, Ontario.*

*The station will serve the municipality of North Perth. It will be the first local commercial radio service in North Perth.*

#### **Application**

1. Five Amigos Broadcasting Inc. (Five Amigos) filed an application for a broadcasting licence to operate an English-language, commercial FM radio station in Listowel, Ontario.
2. Five Amigos is owned by Gregory J. Hetherington and London Publishing Corp., and ultimately controlled by Mr. Hetherington.
3. The station would operate at 100.1 MHz (channel 261B1) with an average effective radiated power (ERP) of 4,900 watts (maximum ERP of 8,000 watts with an effective height of the antenna above average terrain of 83 metres).
4. The proposed station would serve the municipality of North Perth. The station would offer an Adult Contemporary music format targeting adults aged 18 to 54. Five Amigos proposed to broadcast 126 hours of local programming per broadcast week. The applicant stated that 3.7 hours would be devoted to news, of which 2.7 hours would be local and regional news.

#### **Interventions and reply**

5. The Commission received an intervention opposing the application from Blackburn Radio Inc. (Blackburn) and a comment from Saugeen Community Radio Inc. (Saugeen). The applicant replied to the interventions.

6. Blackburn, licensee of three commercial radio stations in Wingham (CKNX, CKNX-FM and CIBU-FM), noted that Listowel is directly adjacent to Wingham and is included in rated Numeris cell 5429. Blackburn argued that the applicant's market survey is inadequate and inaccurate as it does not take into account Blackburn's existing three radio stations in the market. It submitted that the revenue impact on existing radio stations is therefore unknown.
7. Saugeen, licensee of the English-language community radio station CIWN-FM Mount Forest and Wellington North, stated that the applicant's financial projections could only be achieved by soliciting advertising outside Listowel, which would negatively impact other radio stations in the surrounding communities.
8. The applicant replied that Numeris cell 5429 is not relevant since the proposed station would barely cover 10% of that cell. Five Amigos argued that its business plan is accurate and that while the revenue impact is an estimate, it is not unknown. In regard to Saugeen's intervention, Five Amigos noted that Saugeen is a not-for-profit corporation with a commitment to special interest music and in-depth spoken word programming. Five Amigos stated that its proposed station would not be competition for Saugeen's radio station.

### **Commission's analysis and decision**

9. The applicant proposed to operate the first dedicated station serving the municipality of North Perth. The municipality is located approximately 35 kilometres to the southeast of Wingham and 55 kilometres to the northwest of Kitchener. The municipality is located within the Wingham CTRL Numeris market.
10. The proposed station would reach a population of 16,894 with its primary contour (3 mV/m) and 67,693 with its secondary contour (0.5 mV/m). In the case of an FM station, the *Radio Regulations, 1986* (the Regulations), define a station's market as its 3 mV/m contour or the central area as defined by Numeris, whichever is smaller. In this instance, the market of the station would be its primary contour as it is smaller than the Wingham CTRL Numeris market.
11. The proposed primary contour would provide limited reach into the Wingham market. As a result, the Commission considers that licensing the proposed station would not result in an undue financial impact on stations in neighbouring markets.
12. Further, the proposed station would add to the local reflection and programming diversity through the addition of a new voice in the municipality of North Perth. There are currently no other commercial FM stations that are specifically licensed to serve Listowel. The station would therefore operate in a single-station market as defined in Public Notice 1993-121.

## Conclusion

13. In light of the above, the Commission **approves** the application by Five Amigos Broadcasting Inc. for a broadcasting licence to operate an English-language, commercial FM radio station in Listowel. The terms and **conditions of licence** are set out in the appendix to this decision.

## Canadian content development

14. The licensee must adhere to the requirements relating to contribution to Canadian content development (CCD) set out in section 15 of the Regulations, as amended from time to time.
15. Five Amigos made commitments to exceed the minimum contribution to CCD. Specifically, Five Amigos committed to devote, by condition of licence, over and above the basic annual contribution to CCD, a total of \$1,000 per year to CCD over seven broadcast years upon commencement of operations. Of this amount, at least 20% per broadcast year will be devoted to FACTOR or MUSICACTION. The remainder will be directed to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of Broadcasting Public Notice 2006-158. Five Amigos indicated that it would direct these funds to local initiatives such as the Listowel Arts and Culture Program.

Secretary General

## Related documents

- *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006
- *Local programming policy for FM Radio – Definition of a single-station market*, Public Notice CRTC 1993-121, 17 August 1993

*This decision is to be appended to the licence.*



## Appendix to Broadcasting Decision CRTC 2019-118

### Terms, conditions of licence, expectation and encouragement for the English-language commercial FM radio programming undertaking in Listowel, Ontario

#### Terms

The licence will expire 31 August 2025.

The station will operate at 100.1 MHz (channel 261B1) with an average effective radiated power (ERP) of 4,900 watts (maximum ERP of 8,000 watts with an effective height of the antenna above average terrain of 83 metres).

Pursuant to section 22(1) of the *Broadcasting Act*, no licence may be issued until the Department of Industry notifies the Commission that its technical requirements have been met and that a broadcasting certificate will be issued.

Furthermore, the Commission will only issue a licence for this undertaking once the applicant has informed the Commission in writing that it is prepared to commence operations. The undertaking must be in operation by no later than **25 April 2021**. To request an extension, the applicant must submit a written request to the Commission at least 60 days before that date, using the form available on the Commission's website.

#### Conditions of licence

1. The licensee shall adhere to the conditions set out in the broadcasting licence for the undertaking as well as the conditions set out in *Conditions of licence for commercial AM and FM radio stations*, Broadcasting Regulatory Policy CRTC 2009-62, 11 February 2009.
2. In addition to the basic annual contribution to Canadian content development, set out in section 15 of the *Radio Regulations, 1986*, the licensee shall, upon commencement of operations, make an annual contribution of \$1,000 (\$7,000 over seven broadcast years) to the promotion and development of Canadian content.

Of this amount, at least 20% per broadcast year shall be devoted to FACTOR or MUSICACTION. The remainder shall be allocated to parties and initiatives fulfilling the definition of eligible initiatives set out in paragraph 108 of *Commercial Radio Policy 2006*, Broadcasting Public Notice CRTC 2006-158, 15 December 2006.

#### Expectation

The Commission expects the licensee to reflect the cultural diversity of Canada in its programming and employment practices.

## **Encouragement**

In accordance with *Implementation of an employment equity policy*, Public Notice CRTC 1992-59, 1 September 1992, the Commission encourages the licensee to consider employment equity issues in its hiring practices and in all other aspects of its management of human resources.